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RUEHCI/AMCONSUL CALCUTTA 5618
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C O N F I D E N T I A L SECTION 01 OF 04 NEW DELHI 005285

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TAGS: [PGOV](#) [PARM](#) [PINR](#) [TSPL](#) [KNNP](#) [ETTC](#) [ENRG](#) [TRGY](#) [IN](#)

SUBJECT: THE CIVIL NUCLEAR INITIATIVE MOVES TO CENTER STAGE
IN PARLIAMENT

REF: A. NEW DELHI 5266
[B.](#) NEW DELHI 5198
[C.](#) NEW DELHI 5157
[D.](#) NEW DELHI 5138

Classified By: Charge Geoff Pyatt for reasons 1.4 (B,D)

[¶1.](#) (C) Summary: The U.S.-India Civil Nuclear Initiative has moved to the top of the agenda in Parliament. Both the Prime Minister and Minister of State for External Affairs tried to assuage angry MPs from the Left and the Right on July 26 and 27, with limited success. Despite the dramatic floor developments, much of the action has shifted outside Parliament, with the Indian political leadership closeted in closed-door meetings. The focus of the controversy is a proposal by the Left Front (LF) for a "unanimous resolution" that would express parliamentary disapproval of US actions regarding the Initiative. The Congress Party has made it clear that such a resolution is unacceptable and tantamount to a "vote of confidence" against the UPA government, and is trying to convince the sponsors to stand down. The LF and its BJP allies insist they will go ahead with the proposal, but could change tack on a moment's notice. As a face-saving way out, Prime Minister Singh has offered to address the MPs concerns in a statement to Parliament the week of July 31. Congress is trying to convince the LF that cooperation with the BJP is a betrayal, while some BJP leaders are already expressing second thoughts about a Red/Saffron alliance on this issue. With so much at stake, the leaders could continue meeting right through the weekend and the situation remain murky until the Prime Minister's address. End Summary.

Rising Temperatures Over the Initiative

[¶2.](#) (U) Indian political leaders have been closeted in

closed-door meetings all over Delhi in the past several days to determine how the India/US Civil Nuclear Initiative will play in Parliament. Press reports indicate that the UPA/Congress is growing increasingly concerned that it could become isolated on the issue and face a joint resolution in Parliament against the nuclear deal that could attract the support of the Left, BJP and regional parties, including regional parties nominally belonging to the ruling UPA alliance. Disgraced former Foreign Minister Natwar Singh has also hinted at joining this coalition. A group of political leaders from across party lines continue to insist that Parliament pass a "unanimous resolution" expressing its unhappiness with the India/US Civil Nuclear Initiative. Although the text of a resolution has not been made public, press reports indicate that it would condemn the US for its purported "refusal" to accept India as a nuclear power and define a number of US actions as "deviations" from the original draft of the July 18 Indo-US Agreement. One MP told the press that "our purpose is to convey the collective sentiments of the members against the way India is allowing itself to be dictated by the USA."

Meetings All Over Town: Congress Says I Dare You

¶3. (U) On July 26, former Foreign Minister Natwar Singh (Congress), former Foreign Minister Yashwant Sinha (BJP), CPI(M) MP Sitaram Yechury, Janata Dal (U) leader Digvijay Singh and Samajwadi Party (SP) General Secretary Amar Singh met with Rajya Sabha Chairman Bhairon Singh Shekhawat to convince him to accept their proposal for a "unanimous

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resolution" binding on the GOI regarding India's nuclear cooperation with the US. They urged Shekhawat to enlist Congress backing for their resolution. They claimed that regional parties belonging to the UPA, including the DMK, Telegu Desam Party (TDP) and the AIADMK would also back the resolution.

¶4. (U) Congress, worried that the resolution initiative could be gaining steam, authorized Parliamentary Affairs Minister Priya Ranjan Dasmunshi and Defense Minister Pranab Mukherjee to meet with the Left leadership and convince them to drop the resolution proposal. According to press reports, Mukherjee was most adamant in the July 26 meeting, telling representatives of all four parties in the Left Front that if they went ahead with the resolution, "I am not in the Government and the Government would not be there," and that such a measure with the support of the LF and UPA regional parties "would be tantamount to a no-confidence move." Mukherjee also purportedly told the LF leadership that they must choose "between communalism and imperialism, and that it would do well not to be seen on the same side as the BJP on this issue."

The Left Remains Coy

¶5. (U) The LF made no definitive statement following its meeting with the Congress Ministers and it remains unclear whether the Communists will back the resolution proposal. Basudeb Acharya of the CPI(M), who was present at the meeting, told the "Asian Age" that "We will discuss the matter amongst ourselves, but I am for the resolution." CPI(M) General Secretary Prakash Karat told "the Hindu" that he remained convinced that the resolution was a good idea as it would provide a "framework on which the nuclear agreement can proceed. Karat rejected Congress assertions that the resolution was tantamount to a vote of confidence, stating that "the CPI(M) is not holding out any threat to the government" but merely "making its position clear." The LF also issued a statement that the resolution issue was "not about siding with one or another political party, but for 'all parties' to express themselves through Parliament on the nuclear agreement with the United States."

Action on the Floor of Parliament

¶6. (U) During the July 26 question hour in the Lok Sabha, MPs from the LF, SP and BJP expressed concern about the Nuclear Initiative. MOS for External Affairs Anand Sharma tried to assuage opponents, stating that there was as yet no final legislation in the US and the GOI would have to wait for the conciliation of the House and Senate versions of the Bill before making a formal statement. He assured the MPs that the final bilateral agreement would be "within the defined templates" of the July 18 Joint Statement. His remarks apparently did little to calm the agitated MPs, with one BJP member stating afterwards that, "we don't share the Left's anti-Americanism, because we ushered in a new chapter of the Indo-US relationship, but we cannot allow the government to compromise our nuclear capability and research under the proposed deal."

¶7. (U) Prime Minister Manmohan Singh then indicated that he would make a formal statement to Parliament next week. He emphasized that "we will never compromise in a manner which is inconsistent with the provisions of the Joint Statement of

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July 18," and that the UPA government has been making efforts to ensure "utmost transparency" and promote "overall accountability."

Continues For Another Day

¶8. (C) Pol/Miloff attended the July 27 session of the Rajya Sabha and witnessed a contentious 30 minute debate on the Nuclear Initiative. MOS Sharma again assured the MPs that India would agree to India-specific safeguards and a Nuclear Weapons State Additional Protocol, sparking a round of shouting from Initiative opponents. After the Rajya Sabha calmed down, a BJP speaker noted the passage of the legislation in the US House of Representatives and expressed concern about the nuclear explosive test provision and "tens of other problems" that he claimed existed in the legislation. The PM responded that, at the end of the day, if the final legislation was "inconsistent" with what he had previously told Parliament, he would address that matter when the time comes. SP General Secretary Amar Singh told the PM that Parliament was in favor of presenting the "unanimous resolution," prompting more yelling, which only quieted after Opposition Leader Jaswant Singh noted that the intent of the resolution was only to ensure that the Indian Parliament played a role in government similar to that exercised by the US Congress. CPI(M) MP Sitaram Yechury then offered a question about the sequencing of India's safeguards agreement and the US-India 123 Agreement. The PM responded that that House vote did not signify the end of the legislative process and pleaded for the MPs to let the US finish. More yelling ensued, and when the Chair tried to move on to the next question, the BJP delegation walked-out.

Murky Until the End

¶9. (C) Congress is deeply worried about the proposed Parliament resolution as the PM has staked his prestige on the successful conclusion of the Civil Nuclear Initiative and will not rest easy until the process is finally concluded. Many in the old-line Congress Party remain skeptical about the PM's enthusiasm for U.S.-India relations, and will acquiesce to the nuclear deal only insofar as it carries no domestic cost. In this regard, the political fate of Prime Minister Singh is wrapped-up in the outcome. Parties from across the political spectrum have attacked the PM in recent weeks, claiming that he is too weak, unfit to be Prime Minister and should be replaced (Ref A). This added attention the PM increases Congress anxiety that any

anti-Initiative resolution could be interpreted as a humiliation and betrayal of the UPA alliance. With so much at stake, they have brought in the big guns to convince the Left to abandon the resolution proposal. Pranab Mukherjee, who acts as the de facto Deputy Prime Minister and is the Congress liaison with LF, threw down the gauntlet and made it plain to the Communist leaders that they cannot have it both ways, propping up the UPA government, while undermining its very existence. Much will depend on the BJP, as there is obvious discomfort in both the BJP and LF for a Red/Saffron alliance against the Nuclear agreement. There are early indications that much of the BJP leadership is having serious second thoughts about the prospect of cooperating with their hated Communist enemies in Parliament. PM Singh is trying to convince sympathetic elements from both the left and the right that his statement in Parliament next week (which we assume will be followed by questions), should suffice.

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Congress hopes to convince Initiative opponents that a resolution serves no useful purpose and give them a face-saving way to abandon it. We expect that India's political leadership will continue to meet secretly right up to the last minute, with Congress bringing all possible pressure to bear on an issue that has now moved to the center of India's domestic political debate.

¶10. (U) Visit New Delhi's Classified Website:
(<http://www.state.sgov.gov/p/sa/newdelhi/>)
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